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San Francisco Redevelopment Agency

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YOUR BUSINESS INFORMATION STATEMENT

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San Francisco Redevelopment Agency

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What's this all about?

This is all about you. You and your business or establishment... and your future. It's a little about us, too, the San Francisco Redevelopment Agency, because we're going to be affecting you, your business and your future.

You see, the property you occupy is in a redevelopment area. It has been purchased by us, or soon will be, and this is why we're contacting you. You'll soon be our tenant and we want to know more about you and your business and your future.

The Business Services Representative who gave you this booklet works for us. You will get to know him a lot better in the next few months and he'll probably get to know your business almost as well as you in some respects. Why? Because he's interested in you and your future.

What will happen to me?

We'll be direct. You are going to move. When? Not immediately, but soon. Remember we want you to remain in business. Our main concern is that your move be successful to allow you to remain a viable factor within the business community. Your Business Services Representative will make every effort to help you **remain in business.**

The area you are in is going to change physically, socially and economically. In order for us to change, or redevelop it, you will have to move. That's why our Business Services Representative has come to meet you. He needs to know more about your business to plan your move with you, to make your move less disruptive, and to suggest ways to better your business once you have moved.

Use his services. Keep him informed. Ask him questions and listen to his answers. You'll find him a most valuable asset in your move. One important fact to remember is that you are not required to move without at least 90 days written notice.

What am I going to get?

Mostly, help. And lots of it. Financial help, yes. Procedural help, yes. Appraisal help, yes. Help in selecting your new site. Help in selling your old equipment. Help in expanding your business. We'll do all we can to make this move become a positive factor in your business and your future. Work with us through your Business Representative. He can offer what every business needs most: good, competent, experienced help.

What should I do?

The first thing to do is continue reading this booklet. It outlines procedures and regulations concerning your move. Some of it won't apply to you and much of it will be dull reading, but all of it will benefit you and your business.

The second thing to do, after you've completed this booklet, is to call your Business Relocation Representative. He will explain the details and point out the programs which are available to you. Above all, do not move or start to move without contacting your Business Relocation Representative.

Am I Eligible?

Generally, you would be eligible for moving costs if: 1) You were conducting your business at your present location when the Agency purchased your

building, 2) the Redevelopment Agency gives you a written order to vacate the premises, or 3) in certain cases, as a result of voluntary rehabilitation of the structure. However, because of different circumstances and regulations, this should be the first question to ask your Business Services Representative.

What program am I eligible for?

The San Francisco Redevelopment Agency administers a program of relocation payments to businesses and other non-residential establishments. This program, authorized, financed and regulated by the Department of Housing and Urban Development, provides for the payment of actual reasonable and necessary moving expenses, and/or actual direct loss of property, or, in certain cases, a payment in lieu of moving and related expenses, and the reasonable expenses you incur in searching for a replacement location. All this if you meet the basic eligibility requirements.

What about moving expenses?

Eligible business concerns and other non-residential establishments may receive a relocation payment for their actual reasonable and necessary moving costs and related expenses. However, payment may not be made for that portion of the cost of cartage beyond 50 miles from the San Francisco city limits. A notice of your intention to move your business must be received by the Agency 30 days prior to your actual move.

Moving expenses may include the cost of disconnecting, dismantling, crating, insuring, transporting, reconnecting, and reinstalling of personal property, such as merchandise held for sale, trade fixtures, signs, and equipment which is to be moved, and may include storage and insurance costs for a period not to exceed six months. Moving expenses may include the cost of installing substitute equipment, a duplicate telephone and burglar alarm system, and duplicate signs painted on doors, windows, or trucks. Additionally, moving expenses may include the cost of making certain physical changes required by City codes in or to a building to which a business concern relocates if such physical changes are necessary to permit the reinstallation of specific items relocated; however, in all such cases, we will need to have approval of HUD before payment can occur. This is why it is important to coordinate every facet of your move with your Business Services Representative. He's there to help you.

How about loss of property?

A business may receive a payment for any actual direct loss for any of its tangible personal property, including inventory or goods held for sale, which you may choose not to relocate.

The first thing you should do is to secure an appraisal to establish the fair market value of the property for continued use at its location prior to the move. The selection of the appraiser must be approved by your Business Services Representative prior to the actual making of the appraisal.

You will be required to make an effort to achieve a bona fide sale to dispose of the personal property, and any net proceeds will be deducted from the fair market value for any item of personal property for which a claim is made.

The amount of payment you will receive may not exceed the amount of the appraisal minus the net proceeds from the sale **or** the estimated reasonable expense of moving such property, whichever is less. The Agency will obtain a certified moving estimate for those items of personal property for which a claim is made. A 30-day written notice of your intention to cease operations, and claim direct loss of personal property is necessary in order that all the requirements are fullfilled prior to final disposition of the personal property.

Searching for a Replacement Location

You may include in your claim for relocation payments actual reasonable expenses incurred by you in searching for a replacement location. These expenses may include: transportation expenses, meals and lodging, an amount to cover the reasonable time spent in searching and reasonable fees paid to a real estate agent or broker to locate a replacement site or operation.

The maximum amount of compensation for searching expenses is $500, unless otherwise approved, and must be supported by invoices and other satisfactory documentation. You are advised to maintain a record of the specific places, time spent, and dates of locations you or your representatives visited and/or inspected.

Payment in Lieu of Moving and Related Expenses.

A payment in lieu of moving and related expenses may be made to a business (except the owner of an outdoor advertising display) or non-profit organization that elects to receive such payment and that meets the eligibility requirements.

The payment shall be equal to the average annual net earnings of the business concern, but no less than $2,500.00 nor more than $10.000.00.

If you are a non-profit organization which does not operate for profit, you will receive a relocation payment in the amount of $2,500.00.

To be eligible for a payment in lieu of moving and related expenses, the following eligibility requirements must be met:

a. Your business cannot be relocated without a substantial loss of its existing patronage.

b. Your business is not part of a commercial enterprise having another establishment.

c. Your business contributes materially to your income.

Your Business Services Representative will request that you provide reasonable evidence of earnings as documentation in support of your claim. If no other evidence is available, the claim shall be supported by copies of Federal income tax returns for the two taxable years immediately preceding displacement. A non-profit organization is not required to supply documentation as to earnings in support of a claim.

How do I start my move?

You must notify us in writing, at least 30 days prior to the moving date but not earlier than 90 days before you plan to move, of your intention to move and the date on which you think you'll start your move, or the date you intend to cease business operations and dispose of your personal property. Please include a general description of your property to be moved or disposed of. When we receive your notice, the Business Services Representative will arrange for a mutually convenient time to inspect

the property to be moved.

At least 45 days before the intended move, you must submit an inventory to us and allow us to inspect the property.

At this time your Business Services Representative, working with you, will provide you with estimate forms which are to be filled out and submitted by the business concern at least 15 days prior to the date of your move.

The scope of work covered by each estimate must be the same. Therefore, each contractor must be provided with identical work specifications for each phase of the move for which they are responsible.

The Agency will assist you, if you request, in preparing the estimate specifications, but selection of movers or other contractors who will be requested to submit estimates shall be your sole prerogative.

The Agency will receive the estimate specifications to be sure they are in conformance with HUD requirements. At this time, if there are any questions, either regarding your move or what can be moved, you should discuss them with your Business Services Representative.

Estimates must be submitted prior to the start of any work and in sufficient time to allow for review of the estimates by our staff.

Please note that failure to provide acceptable estimates and to otherwise observe required procedures may result in forfeiture of your entire claim.

At the time and place announced, estimates will be opened, tabulated and reviewed. Estimates which are incomplete or incorrect will be rejected, and the lowest acceptable estimate will be announced.

Things to Know When Obtaining Your Estimates

1. Estimates will be accepted for the complete moving job only. The moving company or you will have to arrange for any sub-contractors to do various services, i.e., plumbing work, electrical services, etc., incidental to the move.
2. A minimum of three estimates must be obtained for each phase of the work. In the case where a general contractor or a moving company secures sub-contractors, it will be necessary for the estimator to list his sub-contractors and their bid

prices. All estimates must be broken down, showing labor involved (wage rate x hours), listing of material required, and other expenses.

3. If it is estimated that the cost of your move will be $2,000 or more, sealed estimates will be required. These must be mailed to the Agency site office at least 15 days before your move is anticipated.
4. You should be present when these estimates are opened or send an authorized representative from your firm. However, if you cannot be present, you will be advised of the low estimates and given a copy of each estimate submitted.
5. We reserve the right to reject any and all estimates and to waive any irregularity or informality in the bidding. The lowest acceptable estimate will establish the maximum amount we will pay for the particular service rendered.
6. You will then be advised to proceed with your move, but this does not mean that your Business Services Representative will not continue his assistance. On the contrary, we are at your service until you are back in business again. Of course there will be many forms to be signed; and once your move has been completed, your claim will be filed for payment.
7. You are responsible for making all arrangements for the relocation move of your business property. You should notify your Business Services Representative of the exact moving date at least one day previous to the move so that he can be present at the time of the move. Within six months of completion of the move, you must submit to us one copy of all bills and invoices for services received, and two copies of a Claim for Relocation Payment. Your Business Services Representative will help in the preparation of all required claim forms. Remember to turn in your keys as soon as you have completed your move. Your rental charge continues until your keys are turned in.

Are There Any Limitations On Services Which Are Considered Compensable?

Yes! There are limitations on what services we can pay for and some need prior concurrence from HUD before payment. You should be aware of these restrictions; and if you have any questions, please ask your Representative for a full explanation.

1. **Utility and Service Lines**

   A relocation payment for moving expenses may include the necessary expenditures for reconnecting utility services to relocated or substitute equipment, machinery or trade fixtures, to the extent that these services were required in the old location. This may not include any payment for expenses incurred when changes are made in or to a utility service entrance main panel, or main valve system unless required by local code or ordinance, nor any amounts for which compensation was made at the old location.

2. **Conversion Costs**

   A relocation payment for moving expenses may include expenditures made by a business concern to adapt or convert relocated equipment to the use of a different type of power supply. However, if you elect to convert or adapt your equipment beyond what is necessary to comply with local law or to insure the resumption of your business operation, the excess cost is not compensable.

3. **Substitute Equipment**

   You may elect to replace an item which is not moved with a comparable item. The amount of a relocation payment for moving expenses in this case shall be the lesser of: 1) the actual cost of the substitute equipment delivered and installed at the new location less any proceeds received through a bona fide sale or trade in of the old equipment, or 2) the estimated cost to relocate the old equipment, whichever is less.

4. **Physical Changes at New Location**

   The cost of making certain physical changes to your new location are compensable if, a) the physical changes are necessary to permit the reinstallation of specific machinery and equipment being moved; b) are necessary for the continued operation of your business; or c) are required to meet local codes or ordinances related to the installation and use of the machinery or equipment being moved.

   No relocation payment for physical changes may be made, if the changes increase the value of the building for general purpose usage, increase the structural or mechanical capacity of the building

beyond the requirements of items being moved, or include building or structural alterations required by local building codes, except if required for the reinstallation of specific items being moved. No relocation payment may be made for changes in or to a building for any items for which compensation was made as an acquisition cost at the old location.

All physical changes require prior concurrence from HUD before payment may occur.

What Services Should the Contractor Provide

You **will be provided a complete moving service** in moving to your new location. You will not participate in the move, except as specified, and agreed in advance, but will provide information and direction to the contractor to expedite the move, including a drawing of the new space, showing the locations of machinery, equipment, and fixtures, if applicable.

The moving contractor will move all equipment, stock, and trade fixtures listed on the approved inventory, and he will move small items which are clearly a part of the claimant's incidental business equipment, including stock in trade.

The service provided by the contractor will include the dismantling, packing, crating, transporting, unpacking of all the personal property, merchandise, and equipment. The contractor will disconnect, dismantle, move, reinstall, and reconnect all mechanical equipment of the claimant. The contractor will provide the packing materials necessary and will pick up these materials upon completion of the move.

The contractor must include in his estimate the cost of providing **a floater policy insuring the claimant against all risk of loss or damage of the property to be moved** in the full amount of the declared value appearing on the approved inventory.

Can I move myself?

In some cases self-moves are unavoidable. However, businessmen often underestimate specialized skills and techniques required to make an expeditious move. Experience has shown that self-moves all too often result in considerable difficulties in performance and documentation for both the business and us. This is particularly true with the businessman who tries to carry on his day-to-day operations at the same time that he performs his self-move.

If you are planning a self-move, you must realize that the **compensable expense is limited to the total allowable moving costs or the lowest estimate of a commercial mover, and/or contractor, whichever is lower.** The payment is restricted to out-of-pocket expense not to exceed the costs which would have been incurred if the business had contracted with a commercial mover and/or contractor. The Agency will secure three estimates or bids if a self-move is planned. Compensation will be made to the mover-estimator for submission of estimates.

Allowable expenses for a self-move may include:

1. Amounts paid for trucks or equipment hired.
2. If you use your own vehicles and equipment, a reasonable amount to cover gas and oil, the cost of insurance and depreciation directly allocable to hours and/or days the equipment is used for the move.
3. Wages paid for the labor of persons who physically participate in the move.
4. Labor costs including supervisory and overtime costs.

Remember you must submit complete documentation for all amounts claimed. It is your responsibility to produce evidence that your self-move will not cost more than a commercial move. Accordingly, estimates must be obtained prior to any self-move.

If the total cost is less than $500, one estimate from a qualified, licensed commercial mover or contractor will suffice and reimbursement for the costs of a self-move will not exceed the estimate.

Where total moving costs exceed $500, at least three estimates must be obtained with reimbursement for a self-move limited to the low estimate. Estimates must be obtained from qualified, licensed commercial movers or contractors. When it is not possible to obtain three estimates, written replies from movers or contractors who declined to bid must be obtained and submitted as a part of your claim prior to our authorization of your move.

In instances where you may wish to make a partial self-move and contract the balance, the same instructions apply to the self-move portion.

You are required to notify us in writing at least 30 days in advance of your intended moving date, but not more than 90 days in advance, and to permit an

inspection of the premises and the property to be moved at all reasonable times.

After we have authorized the self-move and the move has been completed, you must, as a minimum, submit the following documentation with your claim for reimbursement:

1. A copy of the payroll record, certified to be true and accurate, indicating the names of the individuals participating in the move, their social security numbers, the dates and hours they worked on the move, the hourly rate of compensation, the amounts paid to them, and the gross amounts they earned performing the move.

   You must submit a record sheet for each employee participating in the move, in addition to a spread sheet showing total labor costs.

   When overtime is expected to be necessary, written justification must be made to us prior to the move and approved in advance. Separate payroll records must be submitted for each employee showing dates, hours, overtime rates, and amounts paid for overtime work.

   The following affirmation shall appear at the bottom of each employee's sheet:

   > "I, (John Doe), do hereby certify that I worked the number of hours and was paid as shown above, on the relocation of (XYZ Co.)."

2. If a truck or equipment was hired, a receipt from the firm from which it was hired, showing the date(s) and amounts paid for rental. The cost of transportation insurance, if obtainable and if within reasonable limits, is an eligible cost, subject to prior approval by us. Also, if you use your own vehicles or equipment, keep accurate records as you may be reimbursed a reasonable amount to cover gas and oil, the cost of insurance and depreciation directly allocable to the time the equipment is used for the move.

3. At least 3 estimates in writing from qualified licensed commercial movers or contractors if total moving costs exceed $500, or one estimate if $500 or under. (This requirement applies to each phase of a multi-phase move if several are involved, such as moving, electrical, plumbing, carpentry, signs, refrigeration, etc.)

These are requirements of HUD and must be followed. Any non-compliance may result in forfeiture of your entire claim or portion thereof.

Since you must keep certain specified records of your expenses for the move and comply with other requirements governing self-moves, please obtain detailed instructions from the Business Services Representative **before** you start planning your self-move.

Storage Costs

Storage costs may be paid if you should decide not to re-establish at a new location, or if you cannot complete your move because the total space is not available.

Generally, storage can be paid for a period of six months, but may be extended if it is determined by the Agency a longer period is necessary.

There are limitations on what costs are eligible so please contact your Business Services Representative for specific requirements to ensure your eligibility for claim reimbursement.

Nonprofit Organization

If you are established as a chartered non-profit organization, you may be eligible to receive a payment in lieu of moving and related expenses if the local agency determines:

1. Your organization cannot be moved without substantial loss of existing patronage.
2. You are not part of an organization having at least one other establishment.

You may elect to receive this payment in the amount of $2,500 but please discuss this matter with your representative for further determinations.

What Other Services are Provided?

The Redevelopment Agency is interested in providing you with a complete service which in some instances may extend far beyond the time you actually move. Among the services to be provided are the following:

1. **Consultations** to determine the type of relocation assistance needed including discussion on space requirements, traffic patterns, the market you serve, and number of employees.
2. **Current Information on Relocation Sites** will be provided by the Agency and will include avail-

ability of sites, square footage costs and other information to assist you in obtaining suitable accommodations.

3. Agency resources are available to provide you with **Economic Information** relating to property values, growth potentials in various areas, zoning information and other general information to assist you in making an informed decision relating to your move.
4. Referrals to the Small Business Administration for economical, managerial and technical assistance.
5. Assistance in obtaining financial needs through private lending sources.

Grievance Procedures

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 refers to a grievance procedure by which any businessman being displaced, who believes that he has been denied his rights, may request HUD or the Agency to examine his complaint. In addition, a Local Relocation Appeals Board has been established as a resource for those displaced by Public Action who are dissatisfied with the assistance offered by the Agency.

If you have a complaint, let us know; maybe we can help. If not, we will inform you of the correct procedures to follow in order that you may be heard by the Board.

More?

Yes, plenty of details, instructions and procedures. But, this is about all in a general way. One final reminder: Call your Business Services Representative right now. Let him know your plans and problems now. You'll find things a lot easier when it comes time for your move.

Definitions

Bona Fide Sale. A bona fide sale is a sale at the highest price offered, after reasonable efforts have been made over a reasonable period of time to interest prospective buyers. (A private sale to one's relatives or associates is not a bona fide sale.)

Business. Any lawful activity, except a farm operation, conducted primarily:

a. For the purchase, sale, lease, and rental of personal and real property, and for the manufacture, processing, or marketing of products, commodities or any other personal property;

b. For the sale of services to the public;

c. By a nonprofit organization; or

d. Solely for the purpose of qualifying for moving and related expenses, for assisting in the purchase, sale, resale, manufacture, processing or marketing of products, commodities, personal property, or services by the erection and maintenance of an outdoor advertising display or displays. Such displays do not necessarily have to be located on the premises on which any of the cited activities are conducted.

HUD. The Secretary of Housing and Urban Development or an officer or employee duly authorized to perform the functions of the Secretary.

Personal Property (Tangible Personal Property).

a. Tangible property which is situated on the real property vacated or to be vacated by a displaced person and which is considered personal property and is noncompensable (other than for moving expenses) under the State law of eminent domain.

b. In the case of a tenant, fixtures and equipment, and other property which may be characterized as real property under State or local law, but which the tenant may lawfully, and at his election determines to, move and for which the tenant is not compensated in the real property acquisition.

Relocation Payment. Any of the following types of payments:

a. A payment for actual reasonable moving expenses;

b. A payment to cover the actual direct loss of tangible personal property;

c. A payment for actual reasonable expenses in searching for a replacement business; or

d. A fixed payment in lieu of the above equal to the business concern's average annual net earnings, but not less than $2,500 nor more than $10,000.

Settlement Costs. Certain expenses incidental to the transfer of real property to the acquiring agency which would ordinarily be borne by the seller.

Small Business Administration. Federal Agency offering financial assistance to small businesses displaced by urban renewal. Located at 450 Golden Gate Avenue, telephone number 556-4530.

Receipt of Business Information Booklet

NAME OF BUSINESS

ADDRESS BLK/LOT

DISPLACING AGENCY

I have received my personal copy of the Business Information Booklet and have reviewed its contents with my Field Representative. My signature on this receipt does not obligate me in any way whatsoever.

Signature

Field Representative

Address

Telephone No.

February, 1973

Definitions

a. A payment for actual reasonable moving expenses;

b. A payment to cover the actual direct loss of tangible personal property;

c. A payment for actual reasonable expenses in searching for a replacement business; or

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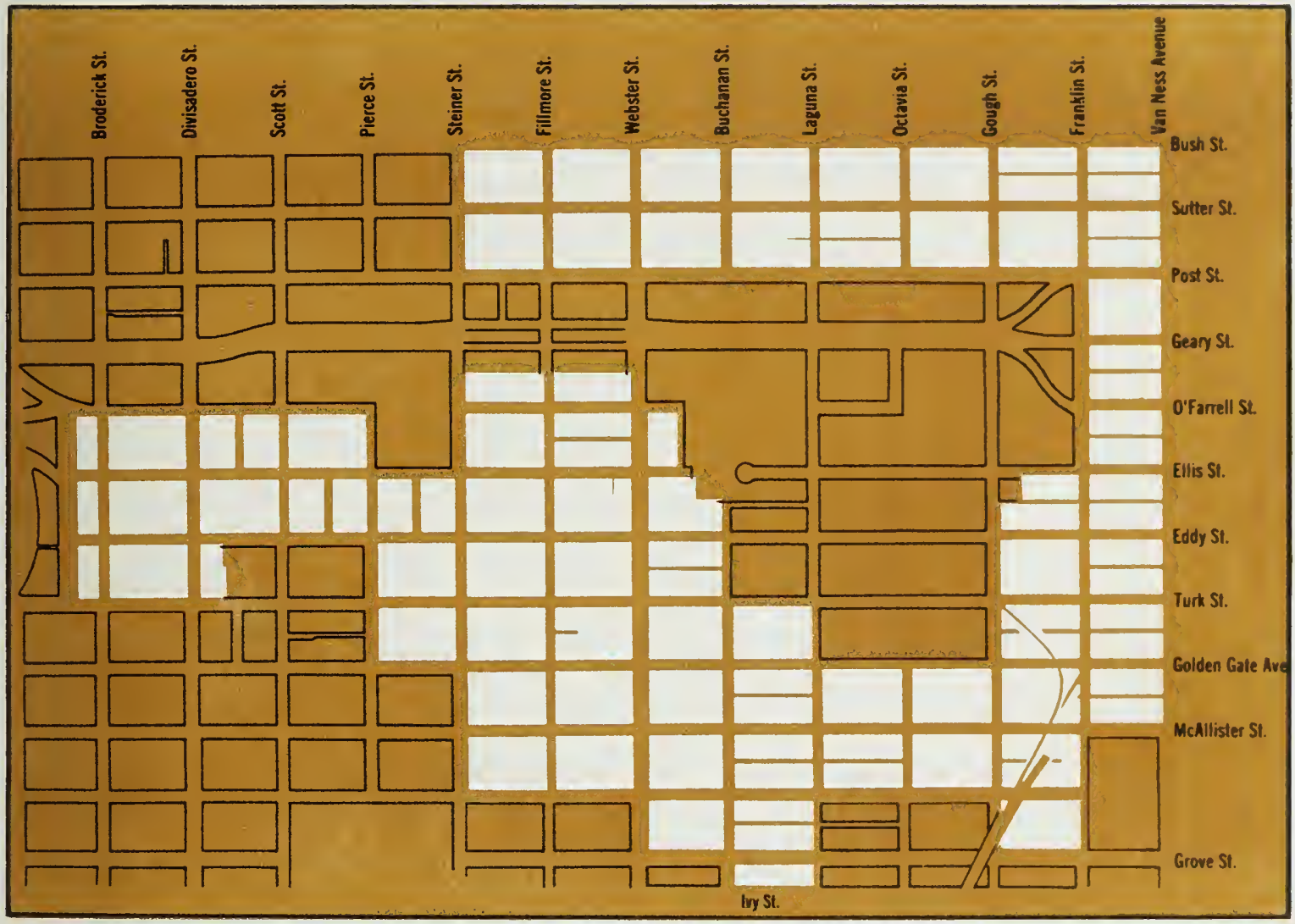

Western Addition Area A-2

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Business Services Representative

February, 1973

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